

Communication on Progress, 2012

STATEMENT OF SUPPORT

As an international company dealing in disposable products Abena recognizes the fact that we have an impact on the environment; this fact drives us to balance the user's needs with the environmentally best solution in a systematically way and often there is a synergy between the environmental benefits and users benefit.

An example is our new generation of thin baby diapers, which are more attractive since they are thinner and weigh less but perform even better than the classical diapers. The minimized use of raw materials equals less impact on the environment in both production step and waste, thus a benefit for the child, the parents and the environment.

Abena products are sold around the world through a wide distribution network of subsidiary companies and specialist distributors. Abena has been an active part of the UN Global Compact initiative since 2002 and our support is unchanged. We continue to give our strong support to the 10 principles set by the UN Global Compact initiative.

27-02-2012. **Preben Terp-Nielsen, CEO**

The Abena group is a Danish family-owned company, with a strong and inspiring company culture giving ethics, environmental concern and a solid business acumen pride of place. Abena is among the market leaders in the protective healthcare industry dealing in both trading and production. Our product range covers disposable products such as a wide variety of incontinence products, including baby diapers, sanitary towels and other healthcare-related disposable goods, paper products, plastic bags, nursing products and waste systems.

Abena moves the limits for new products and markets through a continuous product development. The focal point being the users' needs and wishes in regard to resources and environmental impact. Therefore, we develop new methods based on the users' needs and involve the users in the development of new innovative products.

This report will be available on our website and via www.unglobalcompact.org.

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| Global Compact Principle | | Actions Taken & Impact Achieved in 2011 and plans for 2012 |
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| Human Rights | 1: Businesses should support and respect the protection of internationally proclaimed human rights; | <p>Commitment: Abena supports the international declared human rights. We do not discriminate against any person, regardless of race, sex, colour or religion.</p> <p>We aim to secure employees with reduced working capacity for various social or physical reasons by creating an easier, less pressurised working environment and job flexibility. Our "flexible department" comprises of employees who might, at a later date be transferred to fully functioning ordinary jobs by means of work test trials, on the job training, rehabilitation and trainee agreements.</p> <p>System & activities: One of Abena's core values is that we are aware of our social responsibility. Combined with procedures for hiring new employees it ensures no discrimination.</p> <p>Outcome and next year: The composition of Abena employees reflects the composition of our local community. We have achieved this 2011 and will continue for 2012.</p> |
| | 2: and make sure that they are not complicit in human rights abuses. | |
| Labour | 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | <p>Commitment: Environmental concern in the production process also involves the working environment. We take working conditions extremely seriously, and the Danish Authorities have awarded our main factory the highest official rating available in this area. We aim to maintain a high degree of safety for all employees and visitors. At Abena we constantly strive to improve and be innovative, whilst at the same time maintaining our positive spirit. We respect the fact that all jobs within the company are meaningful and relevant.</p> <p>System: "safety comes first", "working should be enjoyable", "information is important" and "education is necessary in order to grow" are 4 of Abena's 7 core values. Furthermore, Abena Produktion has achieved an OHSAS 18001 (Occupational Health and Safety) certification.</p> <p>Activities: We work consciously within our safety department and safety groups to form a comprehensive safety system and to develop a happier and more secure working environment; this includes areas such as ergonomic work stations, in-house gym facilities, massage facilities and membership of the eclectic social club. We encourage all employees to take a free health check every 3 years and we offer a voluntary health insurance at a very good prize. In 2011 we placed our gym and massage facilities in-house called: Abena Health & Wellbeing. This has created synergy and enhanced focus on safety, health and wellbeing.</p> <p>Combining efficient and targeted work performance means coming to work each day should be an enjoyable experience. Employees participate in 'job planning' as a team building activity, we believe that this promotes successful teamwork as colleagues actively help each other to reach targets and remind each other of the company's core principles, if and when required.</p> <p>Outcome and next year: One of our goals for 2012 is to implement CSR standard (Corporate Social Responsibility).</p> |
| | 4: the elimination of all forms of forced and compulsory labour; | |
| | 5: the effective abolition of child labour; | |
| | 6: and the elimination of discrimination in respect of employment and occupation. | |

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| Environment | 7: Businesses should support a precautionary approach to environmental challenges; | <p>Commitment: At Abena we recognize our environmental responsibility. At Abena, the words "environmental concern" inspires action, not just words. It is one of the main areas of focus in our strategy and a value firmly rooted in our ethos - as well as in our logo. Therefore, it is as natural to us as the very environment itself to back up our concerns by official certification, such as the Nordic Eco Label "Swan" as well as the international ISO 14001 certificates. Concern for nature goes hand in hand with the caring nature of Abena products. We strive continuously to reduce our waste quantities and production waste by an active quality control. We have set up a goal to reduce our emission of CO₂ with 20% before 2020 compared to 2008.</p> <p>System: We reduce the use of energy, chemicals and dangerous substances by means of an efficient energy management and an environmentally friendly evaluation. Our company is certified according to ISO 14001 which means that a third party regularly audits our company to see that we reach our goals on reducing our impact on the environment.</p> <p>In 2011 we have implemented the following:</p> <p>We have converted from oil to liquefied petroleum gas (LPG).</p> <p>We have invested in 3 new robot systems for handling and palletizing, in order to ease the workload for our employees.</p> <p>We have modernised two of our productions lines meaning a reduction of the electricity consumption with 50% on those lines. Similar projects are planned for 2012 on the other production lines.</p> <p>We have developed a new 10% thinner absorption core and thus reduced the consumption of raw materials with 10%.</p> <p>We have conducted an electricity-saving competition for all the employees, with the aim to focus on more rational electricity consumption, as well as at work, as at home.</p> <p>Activities: At Abena we keep an environmental balance to constantly know our impact on the environment changes and to be sure to use our efforts where the environment benefits the most.</p> <p>Outcome and next year: For 2011 we still have had focus on waste management and reduction of electricity used per produced unit. The result has been a 14,1% reduction of CO₂ emission, since 2008. This must be seen in the light of our prior focus and efforts on environmental improvements and thus our low emission starting point. Our CO₂-emissions are mainly caused by the heating of our buildings and the electricity used for production. The waste is reduced with 24% in 2011, compared to 2008.</p> <p>In 2012 we anticipate further reductions in CO2 emissions in relation to achievement of expressed goals.</p> |
| | 8: undertake initiatives to promote greater environmental responsibility; | |
| | 9: and encourage the development and diffusion of environmentally friendly technologies. | |

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| Anti-Corruption | <p>10: Businesses should work against all forms of corruption, including extortion and bribery.</p> <p>At Abena we do not accept any kind of corruption. We do not use bribe or extortion in any way. All presents from suppliers are handed in to the management in order to be used as gifts at the New Years lottery. This divides the presents evenly among employees and does not favour those with many external contacts. Furthermore, the lottery on presents helps the purchase department to be objective when evaluating offers of raw materials.</p> |
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Suppliers and partners

Abena products are sold all around the world through a wide distribution network of subsidiary companies and specialist distributors. Bearing this in mind, Abena have proactively suggested and strongly recommend to suppliers and business partners alike that they should live up to and participate in the 10 principles as outlined by the 'UN Global Compact' initiative. We encourage our internal and external customers to participate in the initiative in order to make it an all encompassing success.

In 2011 app. 85% of our suppliers signed a support and commitment to the 10 principles of the UN Global Compact. The last 15% have other ways of describing their social responsibility and environmental concern.